#### COMMONWEALTH OF KENTUCKY

# BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE NOTICE OF PURCHASED GAS )
ADJUSTMENT FILING OF COLUMBIA ) CASE NO. 90-063-N
GAS OF KENTUCKY, INC.

# ORDER

On October 10, 1990, in Case No. 90-063, the Commission approved certain adjusted rates for Columbia Gas of Kentucky, Inc. ("Columbia") and provided for their further adjustment on a periodic basis in accordance with its gas cost adjustment ("GCA") clause.

On October 31, 1994, Columbia filed its GCA to be effective December 1, 1994. On November 10, 1994, Columbia revised its filing to reflect the separation of the demand and commodity components of its average cost of gas as approved in Case No. 94-179.

After reviewing the record and being otherwise sufficiently advised, the Commission finds that:

1. Columbia's notice proposed revised rates designed to pass on its expected wholesale decrease in gas costs. Columbia's proposed expected gas cost ("EGC") for the period beginning December 1, 1994 is \$4.1414.

Case No. 94-179, In the Matter of the Notice of Adjustment of the Rates of Columbia Gas of Kentucky, Inc. On and After July 1, 1994, Order dated November 1, 1994.

- 2. Columbia's notice set out a rate for Banking and Balancing Service of 2.13 cents per Mcf.
- 3. Columbia's notice set out current quarter fixed charge refund adjustments of (.61) cent per Mcf for sales customers and (.41) cent per Mcf for transportation customers to return Order 528<sup>2</sup> refunds of \$149,278 including interest, to its customers. The total adjustments of (11.43) cents per Mcf for sales customers and (7.78) cents per Mcf for transportation customers reflect the current as well as previous fixed charge refund adjustments.
- 4. Columbia's notice set out its annual actual cost adjustment ("ACA") of 11.0 cents per Mcf that was approved to be effective September 1, 1994.
- 5. Columbia had no amounts to return or collect through its balancing adjustment ("BA"). Columbia's notice set out no BA.
- 6. Columbia's notice contained no current refund adjustment.

  The total refund adjustment of 30.62 cents per Mcf reflects a previous quarter refund adjustment.
- 7. Columbia's notice set out a Special Agency Service refund adjustment of .05 cent per Mcf.
- 8. These adjustments produce a gas cost recovery rate ("GCR") of \$3.8304, 13.52 cents per Mcf less than the prior rate.

Order No. 528, 53 FERC ¶61,1634 (November 1, 1990), Mechanisms for Passthrough of Pipeline Take-or-Pay Buyout and Buydown Costs.

- 9. The revised rate adjustments in the Appendix to this Order are fair, just, and reasonable, in the public interest, and should be approved for gas supplied on and after December 1, 1994.
- 10. Columbia's revised notice of November 10, 1994 contained base rate charges approved by the Commission effective November 1, 1994 in Case No. 94-179. The GCR approved herein effective December 1, 1994 should be applied to those base rates and is reflected in the Appendix to this Order.

IT IS THEREFORE ORDERED that:

- 1. The rates in the Appendix to this Order are fair, just, and reasonable, and are effective for gas supplied on and after December 1, 1994.
- 2. Within 30 days of the date of this Order, Columbia shall file with this Commission its revised tariffs setting out the rates authorized in this Order.

Done at Frankfort, Kentucky, this 1st day of December, 1994.

PUBLIC SERVICE COMMISSION

Chairman

Vrac Chairman

Commissioner

ATTEST:

Executive Director

# APPENDIX

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE COMMISSION IN CASE NO. 90-063-N DATED DECEMBER 1, 1994

The following rates and charges are prescribed for the customers in the area served by Columbia Gas of Kentucky, Inc. All other rates and charges not specifically mentioned herein shall remain the same as those in effect under authority of this Commission prior to the effective date of this Order.

# CURRENTLY EFFECTIVE BILLING RATES

	Base Rate Charge	Gas Cost Demand	Adjustment Commodity	Total Billing Rate
SCHEDULE GSR				
First 1 Mcf or less per mo. Over 1 Mcf per mo.	\$ 8.10 1.9544	\$ 1.3080 1.3080	\$ 2.5224 2.5224	\$11.9304 5.7848
RATE SCHEDULE GSO				
Commercial or Industrial First 1 Mcf or less Next 49 Mcf per mo. Next 350 Mcf per mo. Next 600 Mcf per mo. Over 1,000 Mcf per mo.	22.00 1.9544 1.8910 1.7910 1.6170	1.3080	2.5224 2.5224 2.5224	5.6214
Delivery Service Administrative Charge	65.00			65.00
Standby Service Demand Charge Demand Charge times Daily Firm Vol. (Mcf) in Cust. Serv. Agrmt.		10.4312		10.4312
Delivery Rate Per Mcf First 400 Mcf per mo. Next 600 Mcf per mo. Over 1,000 Mcf per mo. Former IN8 Rate per Mcf Banking & Balancing Service	.9455	(.0778 (.0778 (.0778	)	1.8132 1.7132 1.5392 .9455 0.0213

	Base Rate Charge	Gas Cost Demand	Adjustment Commodity	Total Billing Rate
RATE SCHEDULE IS				
Customer Charge per mo. First 30,000 Mcf Over 30,000 Mcf	\$135.79 0.6158 0.3293		\$2.5224* 2.5224*	\$135.79 3.1382 2.8517
Standby Service Demand Charge Demand Charge times Daily Firm Vol. (Mcf) in Cust. Serv. Agree.		10.4312		10.4312
Delivery Service Administrative Charge First 30,000 Mcf Over 30,000 Mcf Banking & Balancing Service	65.00 0.6158 0.3293	(.0778) (.0778) 0.0213		65.00 0.5380 0.2515 0.0213
RATE SCHEDULE IUS				
For all Volumes Delivered Each Month	.1972	1.3080	2.5224	4.0276
Delivery Service Administrative Charge Delivery Rate Per Mcf Banking & Balancing Service	65.00 .1972	1.3080 0.0213		65.00 1.5052 0.0213
Mainline Delivery Service Administrative Charge Delivery Rate Per Mcf Banking & Balancing Service	65.00 0.1000	0.0213		65.00 0.1000 0.0213
RATE SCHEDULE IN6 - INDUSTRIA	L AND COMMERCIA	AL.		
Commodity Charge	1.7363	1.3080	2.5224	5.5667
RATE SCHEDULE IN7 - SMALL COM	MERCIAL			
Commodity Charge	.5924	1.3080	2.5224	4.4228

<sup>\*</sup>IS customers may be subject to the demand gas cost, under the conditions set forth on Sheets 14 and 15 of this tariff.